

Statement of Congressman Pete Stark Introducing the "Family Leave Insurance Act of 2008"

Monday, 21 April 2008

The U.S. is part of an illustrious four-member club of nations--including Liberia, Papua New Guinea, and Swaziland--that fail to provide security for new parents or those caring for a loved one. The "Family Leave Insurance Act" will guarantee that workers will no longer have to choose between their jobs and their families.

For the Congressional Record

April 22, 2008

Statement of Congressman Pete Stark

Introducing the "Family Leave Insurance Act of 2008"

Mr. Stark: Madam Speaker I rise today with Representatives George Miller, Lynn Woolsey, and Carolyn Maloney to introduce a bill that will bring our nation up to date with the rest of the world. 169 Countries guarantee some form of paid family leave. The U.S. is part of an illustrious four-member club of nations--including Liberia, Papua New Guinea, and Swaziland--that fail to provide security for new parents or those caring for a loved one. The "Family Leave Insurance Act" will guarantee that workers will no longer have to choose between their jobs and their families.

Since becoming law 15 years ago, the landmark Family and Medical Leave Act (FMLA) has provided job protection and guaranteed leave for millions of workers. Unfortunately, the FMLA is limited to workers employed by large employers--only 45% of the private sector workforce--and, because the leave is unpaid, lower income workers can seldom afford to take it. Recent studies have found that 78% of FMLA eligible workers who wanted to take leave did not do so because they could not afford it. At a time of recession and tightening family budgets, this predicament is only getting worse.

A few years ago, my home state of California enacted the first paid family leave law in the country. The law has proven to be wildly popular. Despite the protests of business groups at the time the law was passed, most employers have come to embrace the law and realize that it facilitates continuity, productivity, and job satisfaction. Paid leave helps workers to strike a balance between work and family. Such a balance has real benefits for children. A Harvard School of Public Health study found that the education and health of children improves substantially when parents have work flexibility and paid leave. When parents are able to act as caregivers for a sick child, hospital stays are reduced by 31%. Parental involvement is also associated with higher achievement in language and math, improved behavior, and lower dropout rates.

The "Family Leave Insurance Act" takes the next logical and necessary step by implementing a comprehensive paid leave program that will cover all workers. The middle class is getting squeezed: hours are longer, job security is lower, and families have less time together. A report by the President's Council of Economic Advisers found that between 1969 and 1999 children lost 22 hours per week with their parents. Workers and their families need greater flexibility and support. Yet, according to the Department of Labor, only 8% of private employers provide paid leave. Clearly, there is room for improvement. This bill will:

- Provide all workers with 12 weeks of paid leave over a 12-month period to care for a new child, provide for an ill family member, treat their own illness, or deal with an exigency caused by the deployment of a member of the military;

- Provide these benefits through a new trust fund that is financed equally by employers and employees, who will each contribute 0.2% of the employee's pay;

- Progressively tier the benefits so that a low wage worker (earning less than \$30,000) will receive full or near full salary replacement, middle income workers (\$30,000- \$60,000) receive 55% wage replacement, and higher earners (over \$60,000) receive 40-45%, with the benefit capped at approximately \$800 per week;

- Administer the program through the Department of Labor which will contract with states to administer the program

(similar to how the Unemployment Insurance program is run);

- Allow states and businesses with materially equivalent or better benefits to opt-out of the program.

The "Family Leave Insurance Act" is endorsed by the National Partnership for Women and Families, the AFL-CIO, the California Labor Federation, Voices for America's Children, First Focus, and the National Employment Law Project.

Members of Congress are constantly talking about family values. Let's go beyond talk and take action that families will actually value. I urge my colleagues to cosponsor the "Family Leave Insurance Act." We can strengthen families, make business more competitive, and create a better future for our country. The time to act is now.